# Pt. 3900

(b) The authorized officer will allow no non-mineral application for any portion of an original lot or 40-acre legal subdivision, where the tract has not been lotted to show the reduced area by reason of approved surveys of mining claims for which applications for patent have not been filed, until the non-mineral applicant submits a satisfactory showing that such surveyed claims are in fact mineral in character. Applications to have lands which are asserted to be mineral, or mining locations, segregated by survey with a view to the non-mineral appropriation of the remainder, will be made to the authorized officer of the proper office. Such applications must be supported by a written statement of the party in interest, duly corroborated by two or more disinterested persons, or by such other or further evidence as may be required, that the land sought to be segregated as mineral is in fact mineral in character.

# PART 3900—OIL SHALE MANAGEMENT—GENERAL

#### Subpart 3900—Oil Shale Management— Introduction

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Dec:	

- 3900.2 Definitions.
- 3900.5 Information collection.
- 3900.10 Lands subject to leasing.
- 3900.20 Appealing the BLM's decision.
- 3900.30 Filing documents. 3900.40 Multiple use development of leased
- or licensed lands. 3900.50 Land use plans and environmental
- considerations.
- 3900.61 Federal minerals where the surface is owned or administered by other Federal agencies, by state agencies or charitable organizations, or by private entities.
- 3900.62 Special requirements to protect the lands and resources.

# Subpart 3901—Land Descriptions and Acreage

- 3901.10 Land descriptions.
- 3901.20 Acreage limitations.
- 3901.30 Computing acreage holdings.

### Subpart 3902—Qualification Requirements

- 3902.10 Who may hold leases.
- 3902.21 Filing of qualification evidence.
- 3902.22 Where to file.
- 3902.23 Individuals.

# 43 CFR Ch. II (10-1-15 Edition)

- 3902.24 Associations, including partnerships.
- 3902.25 Corporations.
- 3902.26 Guardians or trustees.
- 3902.27 Heirs and devisees.
- 3902.28 Attornevs-in-fact.
- 3902.29Other parties in interest.

#### Subpart 3903—Fees, Rentals, and Royalties

- 3903.20 Forms of payment.
- 3903.30 Where to submit payments.
- 3903.40 Rentals
- 3903.51 Minimum production and payments in lieu of production.
- 3903.52 Production royalties.
- 3903.53 Overriding royalties.
- 3903.54 Waiver, suspension, or reduction of rental or payments in lieu of production, or reduction of royalty, or waiver of royalty in the first 5 years of the lease.
- 3903.60 Late payment or underpayment charges.

### Subpart 3904—Bonds and Trust Funds

- 3904.10 Bonding requirements.
- 3904.11 When to file bonds.
- Where to file bonds. 3904.12
- Acceptable forms of bonds. 3904.13
- 3904.14 Individual lease, exploration license, and reclamation bonds.
- 3904.15 Amount of bond.
- 3904.20 Default.
- 3904.21 Termination of the period of liability and release of bonds.
- 3904.40 Long-term water treatment trust

# Subpart 3905—Lease Exchanges

3905.10 Oil shale lease exchanges.

AUTHORITY: 30 U.S.C. 189, 359, and 241(a), 42 U.S.C. 15927, 43 U.S.C. 1732(b) and 1740.

Source: 73 FR 69469, Nov. 18, 2008, unless otherwise noted.

# Subpart 3900—Oil Shale Management—Introduction

# § 3900.2 Definitions.

As used in this part and parts 3910 through 3930 of this chapter, the term:

Acquired lands means lands which the United States obtained through purchase, gift, or condemnation, including mineral estates associated with lands previously disposed of under the public land laws, including the mining laws.

Act means the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.).

BLM means the Bureau of Land Management and includes the individual

# Bureau of Land Management, Interior

employed by the Bureau of Land Management authorized to perform the duties set forth in this part and parts 3910 through 3930.

Commercial quantities means production of shale oil quantities in accordance with the approved Plan of Development for the proposed project through the research, development, and demonstration activities conducted on the research, development, and demonstration (R, D and D) lease, based on, and at the conclusion of which, there is a reasonable expectation that the expanded operation would provide a positive return after all costs of production have been met, including the amortized costs of the capital investment.

Department means the Department of the Interior.

Diligent development means achieving or completing the prescribed milestones listed in §3930.30 of this chapter.

Entity means a person, association, or corporation, or any subsidiary, affiliate, corporation, or association controlled by or under common control with such person, association, or corporation.

Exploration means drilling, excavating, and geological, geophysical or geochemical surveying operations designed to obtain detailed data on the physical and chemical characteristics of Federal oil shale and its environment including:

- (1) The strata below the Federal oil shale;
- (2) The overburden;
- (3) The strata immediately above the Federal oil shale; and
- (4) The hydrologic conditions associated with the Federal oil shale.

Exploration license means a license issued by the BLM that allows the licensee to explore unleased oil shale deposits to obtain geologic, environmental, and other pertinent data concerning the deposits. An exploration license confers no preference to a lease to develop oil shale.

Exploration plan means a plan prepared in sufficient detail to show the:

- (1) Location and type of exploration to be conducted;
- (2) Environmental protection procedures to be taken;

- (3) Present and proposed roads, if any; and
- (4) Reclamation and abandonment procedures to be followed upon completion of operations.

Fair market value (FMV) means the monetary amount for which the oil shale deposit would be leased by a knowledgeable owner willing, but not obligated, to lease to a knowledgeable purchaser who desires, but is not obligated, to lease the oil shale deposit.

Federal lands means any lands or interests in lands, including oil shale interests underlying non-Federal surface, owned by the United States, without reference to how the lands were acquired or what Federal agency administers the lands.

Infrastructure means all support structures necessary for the production or development of shale oil, including, but not limited to:

- (1) Offices;
- (2) Shops;
- (3) Maintenance facilities;
- (4) Pipelines;
- (5) Roads;
- (6) Electrical transmission lines;
- (7) Well bores;
- (8) Storage tanks;
- (9) Ponds;
- (10) Monitoring stations;
- (11) Processing facilities—retorts; and
- (12) Production facilities.

In situ operation means the processing of oil shale in place.

Interest in a lease, application, or bid means any:

- (1) Record title interest;
- (2) Overriding royalty interest;
- (3) Working interest;
- (4) Operating rights or option or any agreement covering such an interest; or
- (5) Participation or any defined or undefined share in any increments, issues, or profits that may be derived from or that may accrue in any manner from a lease based on or under any agreement or understanding existing when an application was filed or entered into while the lease application or bid is pending.

Kerogen means the solid, organic substance in sedimentary rock that yields oil when it undergoes destructive distillation.

### § 3900.2

Lease means a Federal lease issued under the mineral leasing laws, which grants the exclusive right to explore for and extract a designated mineral.

Lease bond means the bond or equivalent security given to the Department to assure performance of all obligations associated with all lease terms and conditions.

Maximum economic recovery (MER) means the prevention of wasting of the resource by recovering the maximum amount of the resource that is technologically and economically possible.

Mining waste means all tailings, dumps, deleterious materials, or substances produced by mining, retorting, or in-situ operations.

MMS means the Minerals Management Service.

Oil shale means a fine-grained sedimentary rock containing:

- (1) Organic matter which was derived chiefly from aquatic organisms or waxy spores or pollen grains, which is only slightly soluble in ordinary petroleum solvents, and of which a large proportion is distillable into synthetic petroleum; and
- (2) Inorganic matter, which may contain other minerals. This term is applicable to any argillaceous, carbonate, or siliceous sedimentary rock which, through destructive distillation, will yield synthetic petroleum.

Permit means any of the required approvals that are issued by Federal, state, or local agencies.

Plan of development (POD) means the plan created for oil shale operations that complies with the requirements of the Act and that details the plans, equipment, methods, and schedules to be used in oil shale development.

Production means:

- (1) The extraction of shale oil, shale gas, or shale oil by-products through surface retorting or in situ recovery methods; or
- (2) The severing of oil shale rock through surface or underground mining methods.

Proper BLM office means the Bureau of Land Management office having jurisdiction over the lands under application or covered by a lease or exploration license and subject to the regulations in this part and in parts 3910 through 3930 of this chapter (see sub-

part 1821 of part 1820 of this chapter for a list of BLM state offices).

Public lands means lands, i.e., surface estate, mineral estate, or both, which:

- (1) Never left the ownership of the United States, including minerals reserved when the lands were patented;
- (2) Were obtained by the United States in exchange for public lands;
- (3) Have reverted to the ownership of the United States; or
- (4) Were specifically identified by Congress as part of the public domain.

Reclamation means the measures undertaken to bring about the necessary reconditioning of lands or waters affected by exploration, mining, in situ operations, onsite processing operations or waste disposal in a manner which will meet the requirements imposed by the BLM under applicable law.

Reclamation bond means the bond or equivalent security given to the BLM to assure performance of all obligations relating to reclamation of disturbed areas under an exploration license or lease.

Secretary means the Secretary of the Interior.

Shale gas means the gaseous hydrocarbon-bearing products of surface retorting of oil shale or of in situ extraction that is not liquefied into shale oil. In addition to hydrocarbons, shale gas might include other gases such as carbon dioxide, nitrogen, helium, sulfur, other residual or specialty gases, and entrained hydrocarbon liquids.

Shale oil means synthetic petroleum derived from the destructive distillation of oil shale.

Sole party in interest means a party who alone is or will be vested with all legal and equitable rights and responsibilities under a lease, bid, or application for a lease.

Surface management agency means the Federal agency with jurisdiction over the surface of federally-owned lands containing oil shale deposits.

State Director means an employee of the Bureau of Land Management designated as the chief administrative officer of one of the BLM's 12 administrative areas administered by a state office.

# Bureau of Land Management, Interior

Surface retort means the above-ground facility used for the extraction of kerogen by heating mined shale.

Surface retort operation means the extraction of kerogen by heating mined shale in an above-ground facility.

Synthetic petroleum means synthetic crude oil manufactured from shale oil and suitable for use as a refinery feed-stock or for petrochemical production.

# §3900.5 Information collection.

- (a) OMB has approved the information collection requirements in parts 3900 through 3930 of this chapter under 44 U.S.C. 3501 et seq. The table in paragraph (d) of this section lists the subpart in the rule requiring the information and its title, provides the OMB control number, and summarizes the reasons for collecting the information and how the BLM uses the information.
- (b) Respondents are oil shale lessees and operators. The requirement to respond to the information collections in these parts are mandated under the Energy Policy Act of 2005 (EP Act) (42 U.S.C. 15927), the Mineral Leasing Act for Acquired Lands of 1947 (30 U.S.C. 351–359), and the Federal Land Policy and Management Act (FLPMA) of 1976 (43 U.S.C. 1701 et seq., including 43 U.S.C. 1732).
- (c) The Paperwork Reduction Act of 1995 requires us to inform the public that an agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.
- (d) The BLM is collecting this information for the reasons given in the following table:

43 CFR Parts 3900– 3930, General (1004– 0201)	Reasons for collecting information and how used
Section 3904.12 Section 3904.14(c)(1)	Prospective lessee or licensee must furnish a bond before a lease or exploration license may be issued or transferred or a plan of development is approved. The BLM will review the bond and, if adequate as to amount and execution, will accept it in order to indemnify the United States against default on payments due or other performance obligations. The BLM may also adjust the bond amount to reflect changed conditions. The BLM will cancel the bond when all requirements are satisfied.

43 CFR Parts 3900– 3930, General (1004– 0201)	Reasons for collecting information and how used
Section 3910.31 Section 3910.44	For those lands where no exploration data is available, the lease applicant may apply for an exploration license to conduct exploration on unleased public lands to determine the extent and specific characteristics of the Federal oil shale resource. The BLM will use the information in the application to:  (1) Locate the proposed exploration site;  (2) Determine if the lands are subject to entry for exploration;  (3) Prepare a notice of invitation to other parties to participate in the exploration; and  (4) Ensure the exploration plan is adequate to safeguard resource values, and public and worker health and safety.  The BLM will use this information
Section 3921.30	from a licensee to determine if it will offer the land area for lease.  Corporations, associations, and individuals may substit to a second of the land of the lan
	viduals may submit expressions of leasing interest for specific areas to assist the applicable BLM State Director in determining whether or not to lease oil shale. The information provided will be used in the consultation with the governor of the affected state and in setting a geographic area for which a call
Sections 3922.20 and 3922.30.	for applications will be requested. Entities interested in leasing the Federal oil shale resource must file an application in a geographic area for which the BLM has issued a "Call for Applications." The information provided by the applicant will be used to evaluate the impacts of issuing a proposed lease on the human environment. Failure to provide the requested additional information may result in suspension or termination of processing of the application or in a decision
Section 3924.10	to deny the application.  Prospective lessees will be required to submit a bid at a competitive sale in order to be issued a lease.
Section 3926.10(c)	The lessee of an R, D and D lease may apply for conversion of the R, D and D lease to a commercial lease.
Section 3930.11(b) Section 3930.20(b)	The records, logs, and samples pro- vide information necessary to de- termine the nature and extent of oil shale resources on Federal lands and to monitor and adjust the extent of the oil shale reserve.
Section 3931.11	The POD must provide for reason- able protection and reclamation of the environment and the protection and diligent development of the oil shale resources in the lease.
Section 3931.30	The BLM may, in the interest of Con- servation, order or agree to a sus- pension of operations and produc- tion.